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ANNUAL REPORT

**FORM X-17A-5  
PART III****OMB APPROVAL**

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**FACING PAGE****Information Required of Brokers and Dealers Pursuant to Section 17 of the  
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder**

REPORT FOR THE PERIOD BEGINNING

1/1/2018 ENDING 12/31/2018

MM/DD/YYYY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: Monere Investments, Inc.

**OFFICIAL USE ONLY**

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

**FIRM I.D. NO.**

135 S. LaSalle Street, Suite 4150

(No. and Street)

Chicago

IL

60603

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

Arthur F. Harmon

(312) 585-3850

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

Ryan &amp; Juraska LLP

(Name -- if individual, state last, first, middle name)

141 W. Jackson Blvd. Suite 2250

Chicago

IL

60604

(Address)

(City)

(State)

(Zip Code)

**CHECK ONE:**☒ Certified Public Accountant☐ Public Accountant☐ Accountant not resident in United States or any of its possessions.SEC  
Mail Processing  
Section

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Washington DC  
413**FOR OFFICIAL USE ONLY**

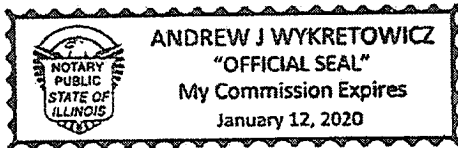
\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

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## OATH OR AFFIRMATION

I, John G. Bouckaert swear (or affirm), to the best of my knowledge and belief, the accompanying financial statements and supporting schedules pertaining to the firm of Monere Investments, Inc. as of December 31, 2018 are true and correct. I further swear (or affirm) that neither the Company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

None



  
President  
Signature

Subscribed and sworn to before me this

Day of: February 19, 2019



- ☒ (a) Facing Page.
- ☒ (b) Statement of Financial Condition
- ☒ (c) Statement of Income (Loss)
- ☒ (d) Statement of Cash Flows
- ☒ (e) Statement of Changes in Stockholder's Equity or Partners' or Sole Proprietor's Capital.
- ☐ (f) Statement of Changes in Liabilities Subordinated to Claims of General Creditors.
- ☒ (g) Computation of Net Capital for Brokers and Dealers pursuant to Rule 15c3-3
- ☒ (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- ☒ (i) Information Relating to the Possession or Control Requirements for Brokers and Dealers Under Rule 15c3-3.
- ☐ (j) A Reconciliation, including appropriate explanation, of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- ☐ (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- ☒ (l) An Oath or Affirmation
- ☐ (m) A copy of the SIPC Supplemental Report.
- ☒ (n) A copy of the Exemption Report.
- ☐ (o) Schedule of Segregation Requirements and Funds in Segregation-Customers' Regulated Commodity Futures Accounts Pursuant to CFTC Rule 1.11(d) 2(iv).
- ☒ (p) Independent Auditor's Report on Internal Accounting Control.

**\*\*For conditions of confidential treatment of certain portions of this filing, see Section 240.17a-5(e){3}.**

# MONERE INVESTMENTS, INC.

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**RYAN & JURASKA LLP**  
Certified Public Accountants  
141 West Jackson Boulevard  
Chicago, Illinois 60604  
Tel: 312.922.0062  
Fax: 312.922.0672

## **REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Board of Directors and Stockholder of  
Monere Investments, Inc.

### **Opinion on the Financial Statements**

We have audited the accompanying statement of financial condition of Monere Investments, Inc. (the "Company") as of December 31, 2018, the related statements of operations, changes in stockholder's equity, and cash flows for the year then ended that you are filing pursuant to Rule 17a-5 under the Securities Exchange Act of 1934 and Regulation 1.10 under the Commodity Exchange Act (CEAct), and the related notes and supplemental information (collectively referred to as the financial statements). In our opinion, the financial statements present fairly, in all material respects, the financial position of Monere Investments, Inc. as of December 31, 2018, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

These financial statements are the responsibility of Monere Investments, Inc.'s management. Our responsibility is to express an opinion on the Company's financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to Monere Investments, Inc. in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB. We have served as Monere Investments, Inc.'s auditor since 2014.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

### **Supplemental Information**

The Supplemental Schedules (the "supplemental information") has been subjected to audit procedures performed in conjunction with the audit of Monere Investments, Inc.'s financial statements. The supplemental information is the responsibility of Monere Investments, Inc.'s management. Our audit procedures included determining whether the supplemental information reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental information. In forming our opinion on the supplemental information, we evaluated whether the supplemental information, including its form and content, is presented in conformity with 17 C.F.R. §240.17a-5 and pursuant to Regulation 1.10 under the CEAct. In our opinion, the Supplemental Schedules are fairly stated, in all material respects, in relation to the financial statements as a whole.

*Ryan & Juraska LLP*

Chicago, Illinois  
February 19, 2019

**MONERE INVESTMENTS, INC.**

**STATEMENT OF FINANCIAL CONDITION**

**DECEMBER 31, 2018**

**ASSETS**

Cash	\$ 84,003
Receivable from broker	576,238
Commissions receivable	40,269
Prepaid expenses	40,274
Receivable from affiliate	18,539
Employee receivable	15,200
Fixed assets (net of accumulated depreciation of \$18,708)	8,008
Other assets	<u>5,952</u>
<b><i>Total assets</i></b>	<b><u>\$788,483</u></b>

**LIABILITIES AND STOCKHOLDER'S EQUITY**

Payable to affiliate	\$ 127,996
Commissions payable	98,134
Accounts payable and accrued expenses	<u>55,500</u>
<b><i>Total liabilities</i></b>	<b><u>\$ 281,630</u></b>

**STOCKHOLDER'S EQUITY: (Note 2)**

Common stock, no par value, \$10 stated value, authorized 10,000 shares, 1,000 shares issued and outstanding	\$ 10,000
Additional paid-in capital	1,910,339
Retained deficit	<u>(1,413,486)</u>
<b><i>Total stockholder's equity</i></b>	<b><u>506,853</u></b>

<b><i>Total liabilities and stockholder's equity</i></b>	<b><u>\$ 788,483</u></b>
--	--------------------------

The accompanying notes are an integral part of this statement.

**MONERE INVESTMENTS, INC.**  
**STATEMENT OF OPERATIONS**  
**YEAR ENDED DECEMBER 31, 2018**

**REVENUE:** (Note 1)

Principal transactions	\$ 614,889
Commissions	566,804
Mutual funds	473,366
Interest	116,960
Other	<u>203,054</u>
<i>Total revenue</i>	<u>\$1,975,073</u>

**EXPENSES:**

Compensation and related expenses	\$ 1,377,644
Occupancy	169,569
Commissions and clearing	137,564
Licenses, dues and fees	48,378
Technology and communications	43,624
Professional fees	14,700
Other	<u>141,837</u>
<i>Total expenses</i>	<u>\$1,933,316</u>

**NET PROFIT** **\$41,757**

**MONERE INVESTMENTS, INC.**

**STATEMENT OF CHANGES IN STOCKHOLDER'S EQUITY**

**YEAR ENDED DECEMBER 31, 2018**

	<u>Shares</u>	<u>Common Stock</u>	<u>Additional Paid-In Capital</u>	<u>Retained Deficit</u>	<u>Total</u>
BALANCE, December 31, 2017	1,000	\$ 10,000	\$1,910,339	\$(1,455,243)	\$465,096
Net Profit				<u>41,757</u>	<u>41,757</u>
BALANCE, December 31, 2018	<u>1,000</u>	<u>\$ 10,000</u>	<u>\$ 1,910,339</u>	<u>\$(1,413,486)</u>	<u>\$506,853</u>

The accompanying notes are an integral part of this statement.

**MONERE INVESTMENTS, INC.**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED DECEMBER 31, 2018**

Net Profit	\$41,757
Adjustments to reconcile net profit to net cash used in operating activities:	
Depreciation	5,343
Increase in receivable from broker	(97,149)
Decrease in prepaid expenses	151
Increase in receivable from affiliate	(18,539)
Decrease in employee receivable	12,000
Increase in commissions receivable	(1,157)
Increase in other assets	(295)
Decrease in commissions payable	(5,422)
Increase in payable to affiliate	49,777
Decrease in accounts payable and accrued expenses	<u>(19,439)</u>
<i>Net cash used in operating activities</i>	<u>(32,973)</u>
<b>NET DECREASE IN CASH</b>	(32,973)
<b>CASH</b> at beginning of year	<u>116,976</u>
<b>CASH</b> at end of year	<u><b>\$ 84,003</b></u>

The accompanying notes are an integral part of this statement.



# MONERE INVESTMENTS, INC.

## NOTES TO FINANCIAL STATEMENTS

**DECEMBER 31, 2018**

### ***NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***

#### **Organization and Business**

Atrium Trading, Inc., an Illinois corporation was incorporated under the laws of the State of Illinois on October 1, 2000. The name of Atrium Trading, Inc. was changed to Monere Investments, Inc. (the "Company") on September 17, 2014. The Company is registered as a broker-dealer with the Securities and Exchange Commission ("SEC"), is a member of the Financial Industry Regulatory Authority, Inc. ("FINRA"), is registered as an Introducing Broker with the Commodity Futures Trading Commission and is a Member of the National Futures Association ("NFA"). The Company's primary business purpose is to provide an avenue for its clients for self-directed trading of various asset classes including securities and insurance based products for a commission.

Effective August 28, 2014, the Company became a wholly owned subsidiary of Monere Holdings, Inc. ("MHI"). MHI was organized in Illinois on June 5, 2014 and is 100% owned by employees of the Company.

#### **Clearing Agreement**

The Company, under Rule 15c3-3(k)(2)(ii), is exempt from the reserve and possession or control requirements of Rule 15c3-3 of the Securities and Exchange Commission. The Company does not carry or clear customer accounts. Accordingly, all customer transactions are executed and cleared on behalf of the Company by its clearing broker on a fully disclosed basis. The Company's agreement with its clearing broker provides that as clearing broker, that firm will make and keep such records of the transactions effected and cleared in the customer accounts as are customarily made and kept by a clearing broker pursuant to the requirements of Rules 17a-3 and 17a-4 of the Securities and Exchange Act of 1934, as amended (the "Act"). It also performs all services customarily incident thereon, including the preparation and distribution of customer's confirmation and statements and maintenance margin requirements under the Act and the rules of the Self-Regulatory Organizations of which the Company is a member.

#### **Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**MONERE INVESTMENTS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2018**  
*(continued)*

***NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES***  
*(continued)*

**Revenue Recognition**

Commissions, principal transactions and mutual funds are recognized on a trade-date basis. Interest income is recognized on the accrual method.

The Company recognizes revenue in accordance with Financial Accounting Standards Board Accounting Standards Codification ("FASBASC") Topic 606, Revenue from Contracts with Customers. That guidance was amended to require business entities to recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The amendment is effective for the Company for fiscal years beginning after December 15, 2017. Management believes the impact of the amendment to Topic 606 will have no material impact on its statement of operations.

**Income taxes**

The Company has elected to be taxed as a Qualified Subchapter S Subsidiary under the provisions of the Internal Revenue Code. Under these provisions, the Company does not pay federal income taxes but is subject to Illinois State Replacement Tax. MHI is responsible for reporting the Company's share of profit and loss on its income tax returns.

In accordance with U.S. GAAP, the Company is required to determine whether its tax positions are more likely than not to be sustained upon examination by the applicable taxing authority, based on the technical merits of the position. Generally, the Company is no longer subject to income tax exemptions by major taxing authorities for the years before 2015. Based on its analysis, there were no tax positions identified by management which did not meet the "more likely than not" standard as of and for the year ended December 31, 2018.

**Fixed assets**

Fixed assets are recorded at cost and are depreciated on a straight line basis over their estimated useful lives. For the year ended December 31, 2018 fixed assets consisted of computer equipment. Depreciation expense for 2018 was \$5,343, which is included in other expenses on the Statement of Operations.

**MONERE INVESTMENTS, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2018**

***NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES***

*(continued)*

**Financial Instruments Valuation**

In accordance with U.S. generally accepted accounting principles ("U.S. GAAP"), fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the "exit price") in an orderly transaction between market participants at the measurement date.

In determining fair value, the Company uses various valuation approaches. A fair value hierarchy for inputs is used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are those that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Company.

**MONERE INVESTMENTS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2018**

*(continued)*

**NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*(continued)*

Unobservable inputs reflect the Company's assumption about the inputs market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

The fair value hierarchy is categorized into three levels based on the inputs as follows:

**Level 1 Inputs** – Valuation is based on quoted prices in active markets for identical assets or liabilities at the reporting date.

**Level 2 Inputs** – Valuation is based on other than quoted prices included in Level 1 that are observable for substantially the full term of the asset or liability, either directly or indirectly.

**Level 3 Inputs** – Valuation is based on unobservable inputs for the valuation of the asset or liability. Level 3 assets include investments for which there is little, if, any, market activity. These inputs require significant management judgment or estimation.

The availability of valuation techniques and observable inputs can vary from investment to investment and is affected by a wide variety of factors, including, the type of investment, whether the investment is new and not yet established in the marketplace, and other characteristics particular to the transaction. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Those estimated values do not necessarily represent the amounts that may be ultimately realized due to the occurrence of future circumstances that cannot be reasonably determined. Because of the inherent uncertainty of valuation, those estimated values may be materially higher or lower than the values that would have been used had a ready market for the investments existed. Accordingly, the degree of judgment exercised by the Company in determining fair value is greatest for investments categorized in Level 3. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement in its entirety falls is determined based on the lowest level input that is significant to the fair value measurement.

At December 31, 2018, the Company held no Level 1, Level 2 or Level 3 investments.

## **MONERE INVESTMENTS, INC.**

### **NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2018**

*(continued)*

#### ***NOTE 2 - NET CAPITAL REQUIREMENTS***

Pursuant to the net capital provisions of Rule 15c3-1 of the Securities Exchange Act of 1934, the Company is required to maintain minimum net capital, as defined, equal to the greater of \$100,000 or 6 2/3% of aggregate indebtedness. At December 31, 2018, the Company had net capital of \$417,753 which was \$317,753 in excess of the required minimum net capital. The Company's net capital ratio (aggregate indebtedness to net capital) was 0.67 to 1. According to Rule 15c3-1, the Company's net capital ratio shall not exceed 15 to 1. The Company is also subject to the net capital rules of the NFA. The Company is required to maintain a minimum net capital under the NFA rules of \$100,000. Under these rules, the Company had excess net capital of \$317,753.

#### ***NOTE 3 - RELATED PARTY TRANSACTIONS***

The Company has an expense sharing agreement with MHI under which shared office, employee and fixed asset costs are allocated between the entities based upon estimated usage. As part of this agreement during the year ended December 31, 2018 the Company paid expenses for MHI totaling \$10,420. The Company also pays expenses on behalf of its affiliates from time to time outside of the expense sharing allocation. During the year ended December 31, 2018 such expenses paid by the Company on behalf of MHI totaled \$56,790. During the year ended December 31, 2018 the Company made payments to MHI totaling \$5,500. The agreement also requires the Company pay MHI a management fee in any profitable month. During the year ended December 31, 2018 such payments totaled \$42,856. At December 31, 2018 MHI was indebted to the Company in the amount of \$18,539, which is included in the receivable from affiliate on the Statement of Financial Condition.

The Company also has an expense sharing agreement with Monere Wealth Management, Inc. ("MWM"), a sister subsidiary of MHI. Under that agreement shared office, employee and fixed asset costs are allocated between the entities based on estimated usage. As part of this agreement during the year ended December 31, 2018 the Company paid expenses for MWM totaling \$34,640. The Company also pays expenses on behalf of its affiliates from time to time outside of the expense sharing allocation. During the year ended December 31, 2018 such expenses paid by the Company on behalf of MWM totaled \$19,430. During the year ended December 31, 2018 certain income was received on behalf of MWM and certain expenses were paid on behalf of MWM by the Company. The net income received by the Company on behalf of MWM during the year ended December 31, 2018 was \$417,249, which is not reflected on the Statement of Operations. The expense sharing agreement also requires MWM pay the Company a management fee in any profitable month. Under that provision of the agreement MWM paid the Company \$145,087 during the year ended December 31, 2018, which is included in other income on the Statement of Operations. During the year ended December 31, 2018 the Company made payments to MHI totaling \$157,000. At December 31, 2018 the Company was indebted to MWM in the amount of \$127,996, which is included in the payable to affiliate on

**MONERE INVESTMENTS, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2018**

*(continued)*

***NOTE 3 - RELATED PARTY TRANSACTIONS***

*(continued)*

the Statement of Financial Condition.

At the year ended December 31, 2018 the Company had a receivable due from an employee in the amount of \$15,200, for expenses paid by the Company on behalf of an employee. The employee is repaying the obligation to the Company in monthly installments.

***NOTE 4 - FINANCIAL INSTRUMENTS, OFF-BALANCE SHEET RISKS  
AND UNCERTAINTIES***

In the normal course of business, the Company's activities through its clearing broker involve execution, settlement and financing of various customer securities transactions. These activities may expose the Company to off-balance sheet risk. In the event a customer fails to satisfy its obligations, the Company may be required to purchase or sell financial instruments at prevailing market prices in order to fulfill the customer's obligations. In addition, the Company bears the risk of financial failure by its clearing broker.

The Company also maintains its cash balances in two financial institutions, which at times may exceed federally insured limits. As of December 31, 2018, the Company had no amounts in excess of the federally insured limit. The Company has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash.

***NOTE 5 - CREDIT CONCENTRATION***

At December 31, 2018, a significant credit concentration of approximately \$576,000 is held at the clearing broker (see note 8). Management does not consider the risk associated with the balances held at the clearing broker to be significant.

***NOTE 6 - EMPLOYEE BENEFIT PLAN***

The Company has established a salary reduction (401(k)) plan for qualified employees. The Company has elected not to make contributions to the plan and is not the trustee of the plan assets. Employee contributions made to the plan during the year ended December 31, 2018 approximated \$96,869.

**MONERE INVESTMENTS, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2018**

*(continued)*

***NOTE 7 –LEASE COMMITMENT***

The Company conducts its operations in leased office facilities and annual rentals are charged to current operations. Rent expense for the year ended December 31, 2018 totaled approximately \$164,919. The leases are subject to escalation clauses included within the leases.

The Company has obligations under operating leases with non-cancelable terms. Aggregate annual rentals for office space at December 31, 2018 are approximately as listed below:

Year ending	
<u>December 31</u>	<u>Amount</u>
2019	<u>\$148,311</u>
Total	<u>\$148,311</u>

***NOTE 8- RECEIVABLE FROM BROKER***

Amounts receivable from broker at December 31, 2018 consist of deposits of \$100,000 and commissions receivable of \$476,238.

***NOTE 9 - SUBSEQUENT EVENTS***

The Company has performed an evaluation of subsequent events through February 19, 2019, the date the financial statements were issued. The evaluation did not result in any subsequent events that required disclosures and/or adjustments.

**MONERE INVESTMENTS, INC.**

**SUPPLEMENTAL SCHEDULES**

**DECEMBER 31, 2018**



MONERE INVESTMENT, INC.

COMPUTATION OF NET CAPITAL FOR BROKER AND  
DEALERS PURSUANT TO RULE 15C3-1

December 31, 2018

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**Computation of net capital**

Total equity \$ 506,853

Non-allowable assets:

Receivable from broker 1,127

Prepaid expenses 40,274

Receivable from affiliate 18,539

Employee receivable 15,200

Fixed assets 8,008

Other assets 5,952

(89,100)

***Net capital*** **\$ 417,753**

**Computation of net capital requirement**

Minimum dollar net capital requirement of reporting broker or  
dealer and minimum net capital requirement of subsidiaries  
computed in accordance with Note (A) \$ 100,000

Net capital requirement 100,000

***Net capital in excess of net capital requirement*** **\$ 317,753**

**MONERE INVESTMENT, INC.**

**COMPUTATION OF NET CAPITAL FOR BROKER AND  
DEALERS PURSUANT TO RULE 15C3-1**

**December 31, 2018**

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*(continued)*

Note (A) the minimum net capital requirement should be computed by adding the minimum dollar net capital requirement of the reporting broker dealer and, for each subsidiary to be consolidated, the greater of:

1. Minimum dollar net capital requirement, or
2. 6-2/3% of aggregate indebtedness or 2% of aggregate debits if Alternative method is used.

There are no material differences between the above computation and the Company's Corresponding Unaudited Form FOCUS Part Ila filing of Form X-17A-5 and pursuant to CFTC Rule 1.17 as of December 31, 2018.

MONERE INVESTMENTS, INC.

COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS  
PURSUANT TO RULE 15C3-3

December 31, 2018

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The Company did not handle any customer cash or securities during the year ended December 31, 2018, and does not have any customer accounts.

MONERE INVESTMENTS, INC.

INFORMATION RELATING TO POSSESSION OR CONTROL REQUIREMENTS  
PURSUANT TO RULE 15C3-3

---

The Company did not handle any customer cash or securities during the year ended December 31, 2018, and does not have any customer accounts.



**RYAN & JURASKA LLP**

Certified Public Accountants

141 West Jackson Boulevard  
Chicago, Illinois 60604

Tel: 312.922.0062

Fax: 312.922.0672

## **INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL**

To Management, the Board of Directors and Stockholder of  
Monere Investments, Inc.,

In planning and performing our audit of the financial statements of Monere Investments, Inc. (the "Company"), as of and for the year ended December 31, 2018, in accordance with auditing standards of the Public Company Accounting Oversight Board (United States) (PCAOB), our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Company's internal control.

Also, as required by Regulation 1.16 of the Commodity Futures Trading Commission (CFTC), we have made a study of the practices and procedures followed by the Company including consideration of control activities for safeguarding customer and firm assets. This study included tests of such practices and procedures that we considered relevant to the objectives stated in Regulation 1.16 in making the periodic computations of minimum financial requirements pursuant to Regulation 1.17. Because the Company is an introducing broker (as defined by CFTC Regulation 1.3(mm)), we did not review the practices and procedures followed by the Company in making the following:

1. The daily computations of the segregation requirements of Sections 4d(a)(2) and 4d(f)(2) of the Commodity Exchange Act and the regulations thereunder, and the segregation of funds based on such computations;
2. The daily computations of the foreign futures and foreign options secured amount requirements pursuant to Regulation 30.7 of the CFTC.

The management of the Company is responsible for establishing and maintaining internal control and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of controls and of the practices and procedures referred to in the preceding paragraph and to assess whether those practices and procedures can be expected to achieve the CFTC's previously mentioned objectives. Two of the objectives of internal control and the practices and procedures are to provide management with reasonable but not absolute assurance that assets for which the Company has responsibility are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit preparation of financial statements in conformity with U.S. generally accepted accounting principles. Regulation 1.16(d)(2) list additional objectives of the practices and procedures listed in the preceding paragraph.

Because of inherent limitations in internal control and the practices and procedures referred to above, error or fraud may occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk that they may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate.



A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Company's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control was for the limited purpose described in the preceding paragraphs and would not necessarily identify all deficiencies in internal control that might be material weaknesses. Given these limitations during our audit, we did not identify any deficiencies in internal control and control activities for safeguarding customer and firm assets that we consider to be material weaknesses.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the CFTC to be adequate for its purposes in accordance with the Commodity Exchange Act, and related regulations, and that practices and procedures that do not accomplish such objectives in all material respects indicate a material inadequacy for such purposes. Based on this understanding and on our study, we believe that the Company's practices and procedures were adequate at December 31, 2018, to meet the CFTC's objectives.

This report is intended solely for the information and use of management, the Board of Directors and Stockholder of Monere Investments, Inc., the CFTC, the National Futures Association, and other regulatory agencies that rely on Regulation 1.16 of the CFTC in their regulation of registered introducing brokers, and is not intended to be and should not be used by anyone other than these specified parties.

*Ryan & Juraszka LLP*

Chicago, Illinois  
February 19, 2019



**RYAN & JURASKA LLP**

Certified Public Accountants

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**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Board of Directors and Stockholder  
of Monere Investments, Inc.

We have reviewed management's statements, included in the accompanying Exemption Report, in which (1) Monere Investments, Inc. (the Company) identified the following provisions of 17 C.F.R. §15c3-3(k) under which the Company claimed an exemption from 17 C.F.R. §240.15c3-3: ((k)(2)(ii)) (the "exemption provisions") and (2) the Company stated that it met the identified exemption provisions throughout the most recent fiscal year ending December 31, 2018 without exception. The Company's management is responsible for compliance with the exemption provisions and its statements.

Our review was conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States) and, therefore, included inquiries and other required procedures to obtain evidence about the Company's compliance with the exemption provisions. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on management's statements. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to management's statements referred to above for them to be fairly stated, in all material respects, based on the provisions set forth in paragraph (k)((2)(ii)) of Rule 15c3-3 under the Securities Exchange Act of 1934.

*Ryan & Juraska LLP*

Chicago, Illinois  
February 19, 2019

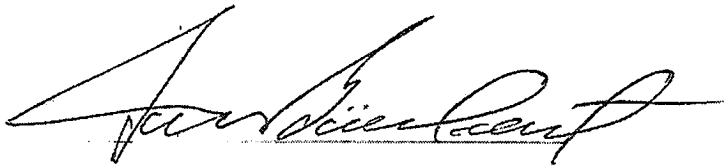
MONERE INVESTMENTS, INC.

The Exemption Report

We, as members of the management of Monere Investments, Inc. (the Company), are responsible for complying with 17 C.F.R. 240.17a-5, "Reports to be made by certain brokers and dealers" and complying with 17 C.F.R. 240.15c3-3: (k) (2)(ii) (the "exemption provisions"). To the best of our knowledge and belief we state the following:

- (1) We identified the following provisions of 17 C.F.R. 240.15c3-3: (k) under which the Company claimed an exemption from 17 C.F.R. 240.15c3-3: (k) (2)(ii) (the "exemption provisions") and
- (2) The Company met the identified exemption provisions under 17 C.F.R. 240.15c3-3 throughout the most recent fiscal year ending December 31, 2018, without exception.

MONERE INVESTMENTS, INC.

A handwritten signature in black ink, appearing to read "John G. Bouckaert", written over a horizontal line.

John G. Bouckaert, President

February 19, 2019